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STATE AUDITOR

*Department of Health and Social Services  
Community Services Unit  
Patients' Trust Fund*

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**What Was Performed?** An Agreed Upon Procedures (AUP) attestation engagement of the Department of Health and Social Services (DHSS), Division of Developmental Disabilities Services (DDDS), and Community Services Unit's Patients' Trust Funds for Fiscal Year ended June 30, 2019.

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**Why This Engagement?** This engagement was performed as a result of confidential reports from the Auditor's Office's Fraud Hotline and Fraud App, 29 Del. C. § 2906, and Title 16 of Delaware Code, Chapter 60 Section 6002, 6003, and 6004 which is applicable to any institutions operated, maintained, or under the supervision of the Department of Health and Social Services (DHSS).

The State Auditor's Office performed agreed upon procedures on a sample of patients' trust fund accounts including verifying interest earned and cash disbursement and cash receipt transactions are applied, reconciled and compliant with the Unit's policy and procedures and the state's financial accounting requirements

Community Services is a unit operated under Division of Developmental Disabilities Services which provides services to approximately 5,083 patients with over \$3.3M in Patients' Trust Fund deposits processed in Fiscal Year 2019.

**What Was Found?** Our AUP engagement contains the following results:

- The Patient Trust Fund appropriation received the correct monthly allocation of earnings in FY2019 from OST and the interest earning correctly posted to the individual patient account.
- Community Services recorded ACH payments to the correct patient account.
- Community Services did not reconcile the state accounting system to the unit's accounting system for June 30, 2019.
- Community Services did not close deceased patient accounts and discharge the account balances.
- Community Services did not record manual checks received on the incoming check deposit log.
- Community Services did not have all supporting documentation for cash disbursement transactions including some authorized signatures and purchase receipt documentation.

The new report, Department of Health and Social Services Community Services Unit Patients' Trust Fund" can be found [here](#).

Please do not reply to this email. For any questions regarding the attached report, please contact State Auditor Kathleen K. McGuinness at [Kathleen.Mcguinness@delaware.gov](mailto:Kathleen.Mcguinness@delaware.gov).

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